CALIFORNIA ENERGY COMMISSION

ARTHUR H. ROSENFELD COMMISSIONER 1516 NINTH STREET, MS 35 SACRAMENTO, CA 95814-5512 (916) 654-4930 (916) 653-3478 FAX



October 29, 2004

Mr. Paul Clanon Director, Energy Division California Public Utilities Commission 505 Van Ness Avenue San Francisco, California 94102

Dear Mr. Clanon:

The California Public Utilities Commission (CPUC), in Decision 04-08-010, has designated the California Energy Commission (CEC) as Administrator of the Public Interest Natural Gas Research Program. In accordance with the specific requirements of that decision, the CEC hereby submits to you and to the CPUC Energy Division, its proposed 2005 Public Interest Natural Gas Research Plan. Energy Commission has formally directed its Research, Development and Demonstration Committee to transmit this proposed Research Plan to the CPUC on behalf of the full Commission.

The CEC currently intends to initiate this new and important energy research program in January 2005. We look forward to the Energy Division's review and the CPUC's formal approval of this proposed Research Plan by your Commission's final Business Meeting in December 2004. If I can be of any assistance to you or your staff concerning review and approval of this matter, please feel free to call me at 916-654-4930.

Sincerely yours,

ARTHUR H. ROSENFELD, Ph.D.

Commissioner and

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Presiding Member, R&D Committee

cc: CPUC Commissioners:

Michael R. Peevey, President Loretta M. Lynch, Commissioner

Carl Wood, Commissioner

Geoffrey F. Brown, Commissioner Susan P. Kennedy, Commissioner Mr. Paul Clanon Page 2 October 29, 2004

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